

**CITY OF SALLISAW, OKLAHOMA
SALLISAW, OKLAHOMA**

**ANNUAL FINANCIAL STATEMENTS
AND ACCOMPANYING
INDEPENDENT AUDITOR'S REPORT**

**FOR THE YEAR ENDED
JUNE 30, 2021**

City of Sallisaw, Oklahoma
Annual Financial Statements
June 30, 2021

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City of Sallisaw, Oklahoma
Year Ended June 30, 2021
List of Principal Officials

Mayor
Ernie Martens

Commissioner Ward 1
Ronnie Lowe

Commissioner Ward 2
Josh Bailey

Commissioner Ward 3
Julian Mendiola

Commissioner Ward 4
Kristin Peerson

City of Sallisaw, Oklahoma

Statement of Net Position

June 30, 2021

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and cash equivalents	\$ 816,830	\$ 4,340,638	\$ 5,157,468
Investments	105,595	1,274,078	1,379,673
Receivables (net of allowance for uncollectible)	897,906	1,601,683	2,499,589
Inventory	13,419	-	13,419
Other assets	548,813	-	548,813
Restricted assets:			
Cash and cash equivalents	3,125,897	7,066,248	10,192,145
Investments	1,286,291	488,883	1,775,174
Capital assets (net of accumulated depreciation)	9,019,430	35,748,368	44,767,798
Total assets	<u>15,814,181</u>	<u>50,519,898</u>	<u>66,334,079</u>
Deferred outflows of resources			
Loss on refunding of debt	-	1,526,707	1,526,707
Deferred amounts related to pensions	2,251,299	360,570	2,611,869
Total deferred outflows of resources	<u>2,251,299</u>	<u>1,887,277</u>	<u>4,138,576</u>
Liabilities			
<u>Current liabilities</u>			
Accounts payable	418,665	1,170,366	1,589,031
Due to other funds	374,334	(374,334)	-
Salary payable	80,427	52,721	133,148
Capital leases, current	291,658	-	291,658
Notes payable, current	-	282,960	282,960
Bonds payable, current	-	1,695,000	1,695,000
<u>Payable from restricted assets</u>			
Accrued interest payable	-	273,384	273,384
Customer deposits	-	672,602	672,602
<u>Long-term liabilities</u>			
Compensated absences	359,801	182,567	542,368
Capital lease obligation	592,326	-	592,326
Notes payable	-	2,485,141	2,485,141
Bonds payable	-	26,190,000	26,190,000
Landfill closure	-	2,602,591	2,602,591
Pension liability	4,861,776	920,364	5,782,140
Total liabilities	<u>6,978,987</u>	<u>36,153,362</u>	<u>43,132,349</u>
Deferred inflows of resources			
Deferred amounts related to pensions	480,322	58,002	538,324
Total deferred inflows of resources	<u>480,322</u>	<u>58,002</u>	<u>538,324</u>
Net position			
Net investment in capital assets	8,135,446	6,621,974	14,757,420
Restricted	2,920,284	2,391,344	5,311,628
Unrestricted	(449,559)	7,182,493	6,732,934
Total net position	<u>\$ 10,606,171</u>	<u>\$ 16,195,811</u>	<u>\$ 26,801,982</u>

City of Sallisaw, Oklahoma

Statement of Activities

Year Ended June 30, 2021

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
General government	\$ 2,860,086	\$ 113,262	\$ 1,019,352	\$ 241,712	\$ (1,485,760)	\$ -	\$ (1,485,760)
Public safety	4,540,969	102,598	878,572	-	(3,559,799)	-	(3,559,799)
Public works	1,354,602	147,748	94,364	397,159	(715,331)	-	(715,331)
Culture and recreation	1,260,770	55,186	7,540	-	(1,198,044)	-	(1,198,044)
Economic development	472,489	-	-	-	(472,489)	-	(472,489)
Total governmental activities	<u>10,488,916</u>	<u>418,794</u>	<u>1,999,828</u>	<u>638,871</u>	<u>(7,431,423)</u>	<u>-</u>	<u>(7,431,423)</u>
Business-type activities:							
Administration	1,673,626	203,611	-	-	-	(1,470,015)	(1,470,015)
Electric	7,406,474	10,593,964	-	-	-	3,187,490	3,187,490
Water	1,314,460	2,124,596	-	-	-	810,136	810,136
Wastewater	1,207,069	862,455	-	-	-	(344,614)	(344,614)
Landfill	2,193,319	1,831,571	-	-	-	(361,748)	(361,748)
Sanitation	576,628	1,377,828	-	-	-	801,200	801,200
Telecommunications	2,788,476	3,342,668	-	-	-	554,192	554,192
Total business-type activities	<u>17,160,052</u>	<u>20,336,693</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,176,641</u>	<u>3,176,641</u>
Total primary government	<u>\$ 27,648,968</u>	<u>\$ 20,755,487</u>	<u>\$ 1,999,828</u>	<u>\$ 638,871</u>	<u>\$ (7,431,423)</u>	<u>\$ 3,176,641</u>	<u>\$ (4,254,782)</u>
General revenues:							
Sales tax					3,424,352	3,424,351	6,848,703
Other taxes					467,299	712,298	1,179,597
Interest income					30,889	8,799	39,688
Miscellaneous					392,617	-	392,617
Change in pension obligation					(407,744)	-	(407,744)
Transfers - internal activity					5,557,393	(5,557,393)	-
Transfers - other governments					(856,088)	-	(856,088)
Total general revenues and transfers					<u>8,608,718</u>	<u>(1,411,945)</u>	<u>7,196,773</u>
Change in net position					<u>1,177,295</u>	<u>1,764,696</u>	<u>2,941,991</u>
Net position, beginning					<u>9,428,876</u>	<u>14,431,115</u>	<u>23,859,991</u>
Net position, ending					<u>\$ 10,606,171</u>	<u>\$ 16,195,811</u>	<u>\$ 26,801,982</u>

City of Sallisaw, Oklahoma

Balance Sheet
Governmental Funds
June 30, 2021

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets			
Cash and cash equivalents	\$ 816,830	\$ -	\$ 816,830
Investments	105,595	-	105,595
Restricted cash	7,239	3,118,658	3,125,897
Restricted investments	988,476	297,815	1,286,291
Receivables:			
Taxes	662,530	10,937	673,467
Grant	-	102,307	102,307
Municipal court fines	119,634	-	119,634
Accrued interest	123	24	147
Other, net of allowance	2,351	-	2,351
Due from other funds	183,604	85,084	268,688
Inventory	13,419	-	13,419
Other assets	548,813	-	548,813
Total assets	<u>\$ 3,448,614</u>	<u>\$ 3,614,825</u>	<u>\$ 7,063,439</u>
Liabilities			
Accounts payable	\$ 132,116	\$ 285,353	\$ 417,469
Salary payable	80,427	-	80,427
Due to other funds	637,256	5,766	643,022
Court bonds payable	1,196	-	1,196
Total liabilities	<u>850,995</u>	<u>291,119</u>	<u>1,142,114</u>
Fund balance			
Nonspendable	13,419	-	13,419
Restricted	995,715	1,924,569	2,920,284
Committed	-	1,185,726	1,185,726
Assigned	-	213,411	213,411
Unassigned	1,588,485	-	1,588,485
Total fund balances	<u>2,597,619</u>	<u>3,323,706</u>	<u>5,921,325</u>
Total liabilities and fund balances	<u>\$ 3,448,614</u>	<u>\$ 3,614,825</u>	<u>\$ 7,063,439</u>

Amounts reported for governmental activities in the Statement of Net Position are different because:

Land and capital assets, net of accumulated depreciation, are not financial resources and, in the funds, and therefore, are not reported

Land and construction in process	2,319,819	
Capital assets	18,570,473	
Less: Accumulated depreciation	<u>(11,870,862)</u>	9,019,430

Long-term portion of liabilities are not due and payable in the current period and are not reported

Capital lease obligations	(883,984)	
Compensated absences	(359,801)	
Net deferred outflows (inflows) on pension obligations	1,770,977	
Net pension (obligation)/asset	<u>(4,861,776)</u>	<u>(4,334,584)</u>

Net position of governmental activities \$ 10,606,171

City of Sallisaw, Oklahoma

Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds Year Ended June 30, 2021

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues			
Sales tax	\$ 2,568,264	\$ 856,088	\$ 3,424,352
Other taxes	336,225	131,074	467,299
Licenses and permits	70,307	-	70,307
Intergovernmental	1,036,351	1,594,807	2,631,158
Fines and forfeitures	83,165	9,503	92,668
Charges for services	218,664	30,200	248,864
Rental	6,955	-	6,955
Donations	-	7,540	7,540
Other	339,267	53,350	392,617
Proceeds from debt issuance	-	387,397	387,397
Interest	27,330	3,559	30,889
Total revenues	<u>4,686,528</u>	<u>3,073,518</u>	<u>7,760,046</u>
Expenditures			
General government	2,713,531	-	2,713,531
Public safety	3,482,682	909,962	4,392,644
Public works	1,080,489	10,797	1,091,286
Culture and recreation	936,753	49,251	986,004
Economic development	402,386	-	402,386
Debt service:			
Principal	-	912,783	912,783
Interest	-	36,622	36,622
Capital outlay	420,404	1,273,318	1,693,722
Total expenditures	<u>9,036,245</u>	<u>3,192,733</u>	<u>12,228,978</u>
Excess of revenues over (under) expenditures	(4,349,717)	(119,215)	(4,468,932)
Other financing sources (uses)			
Transfers in	10,767,701	1,544,294	12,311,995
Transfers out	(5,673,583)	(1,081,019)	(6,754,602)
Transfers out to other governments	(856,088)	-	(856,088)
Total other financing sources (uses)	<u>4,238,030</u>	<u>463,275</u>	<u>4,701,305</u>
Net change in fund balances	(111,687)	344,060	232,373
Fund balances, beginning	<u>2,709,306</u>	<u>2,979,646</u>	<u>5,688,952</u>
Fund balances, ending	<u>\$ 2,597,619</u>	<u>\$ 3,323,706</u>	<u>\$ 5,921,325</u>

City of Sallisaw, Oklahoma
 Reconciliation of Governmental Funds and Government-Wide
 Financial Statements
 Year Ended June 30, 2021

Net change in fund balances - total governmental funds	\$	232,373
<p>Governmental funds report capital outlays as expenditures; whereas, in the statement of activities, the cost of those assets are allocated over their estimated useful lives as a depreciation expense.</p>		
Capital outlay expenditures capitalized		1,693,722
Depreciation expense		(875,179)
<p>In the statement of activities, the cost of pension benefits earned net of employee contributions is reported as an element of pension expense. The fund financial statements report pension contributions as expenditures.</p>		
		(407,744)
<p>The proceeds of debt issuance provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.</p>		
Proceeds from capital lease obligations		(387,397)
Capital lease principal payments		912,783
<p>Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported in governmental funds.</p>		
Accrued compensated absences, net change		<u>8,737</u>
Change in net position of governmental activities	\$	<u>1,177,295</u>

City of Sallisaw, Oklahoma

Statement of Net Position

Proprietary Funds

June 30, 2021

	Business-type Activities		Total
	Sallisaw Municipal Authority	Sallisaw Economic Authority	
Assets			
Cash and cash equivalents	\$ 4,303,100	\$ 37,538	\$ 4,340,638
Investments	1,274,078	-	1,274,078
Receivables:			
Accounts (net of allowance for uncollectible)	1,601,390	-	1,601,390
Accrued interest	293	-	293
Due from other funds	618,085	-	618,085
Restricted assets:			
Cash and cash equivalents	7,066,248	-	7,066,248
Investments	488,883	-	488,883
Capital assets (net of accumulated depreciation)	34,967,036	781,332	35,748,368
Total assets	50,319,113	818,870	51,137,983
Deferred outflows of resources			
Loss on refunding of debt	1,526,707	-	1,526,707
Deferred amounts related to pensions	360,570	-	360,570
Total deferred outflows of resources	1,887,277	-	1,887,277
Liabilities			
Accounts payable	1,170,366	-	1,170,366
Salary payable	52,721	-	52,721
Notes payable, current	282,960	-	282,960
Bonds payable, current	1,695,000	-	1,695,000
Payable from restricted assets:			
Accrued interest payable	273,384	-	273,384
Customer deposits	672,602	-	672,602
Due to other funds	243,751	-	243,751
Noncurrent liabilities:			
Compensated absences	182,567	-	182,567
Notes payable	2,485,141	-	2,485,141
Bonds payable	26,190,000	-	26,190,000
Landfill closure	2,602,591	-	2,602,591
Pension obligation	920,364	-	920,364
Total liabilities	36,771,447	-	36,771,447
Deferred inflows of resources			
Deferred amounts related to pensions	58,002	-	58,002
Net position			
Net investment in capital assets	5,840,642	781,332	6,621,974
Restricted:			
Debt service	2,391,344	-	2,391,344
Unrestricted	7,144,955	37,538	7,182,493
Total net position	\$ 15,376,941	\$ 818,870	\$ 16,195,811

City of Sallisaw, Oklahoma

Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds Year Ended June 30, 2021

	Enterprise funds		Totals
	Sallisaw Municipal Authority	Sallisaw Economic Authority	
Operating revenues			
Charges for services:			
Electric	\$ 10,593,964	\$ -	\$ 10,593,964
Water	2,124,596	-	2,124,596
Wastewater	862,455	-	862,455
Landfill	1,831,571	-	1,831,571
Sanitation	1,377,828	-	1,377,828
Telecommunications	3,342,668	-	3,342,668
Penalties	151,570	-	151,570
Other	52,041	-	52,041
Total operating revenues	20,336,693	-	20,336,693
Operating expenses			
Administration	136,832	-	136,832
Electric	7,112,064	-	7,112,064
Water	898,794	-	898,794
Wastewater	518,644	-	518,644
Landfill	1,814,956	-	1,814,956
Sanitation	478,162	-	478,162
Telecommunications	2,485,210	-	2,485,210
Depreciation and amortization	2,443,461	-	2,443,461
Bad debt expense	65,196	-	65,196
Total operating expenses	15,953,319	-	15,953,319
Total operating income (loss)	4,383,374	-	4,383,374
Nonoperating revenues (expenses)			
Sales tax	3,424,351	-	3,424,351
Other taxes	712,298	-	712,298
Interest income	8,799	-	8,799
Interest expense and fiscal charges	(1,206,733)	-	(1,206,733)
Total nonoperating revenues (expenses)	2,938,715	-	2,938,715
Operating transfers			
Transfers in	6,735,244	-	6,735,244
Transfers (out)	(12,292,637)	-	(12,292,637)
Total operating transfers	(5,557,393)	-	(5,557,393)
Net income (loss)	1,764,696	-	1,764,696
Net position, beginning	13,612,245	818,870	14,431,115
Net position, ending	\$ 15,376,941	\$ 818,870	\$ 16,195,811

City of Sallisaw, Oklahoma

Statement of Cash Flows

Proprietary Funds

Year Ended June 30, 2021

	Enterprise Funds		
	Sallisaw Municipal Authority	Sallisaw Economic Authority	Total
<u>Cash flows from operating activities:</u>			
Receipts from customers	\$ 20,324,100	\$ -	\$ 20,324,100
Payments to suppliers	(9,408,804)	-	(9,408,804)
Payments to employees	(3,486,136)	-	(3,486,136)
Net cash provided (used) by operating activities	7,429,160	-	7,429,160
<u>Cash flows from non-capital financing activities:</u>			
Transfers from other funds	6,735,244	-	6,735,244
Transfers to other funds	(12,292,637)	-	(12,292,637)
Intergovernmental revenues	4,136,649	-	4,136,649
Net cash provided (used) by non-capital financing activities	(1,420,744)	-	(1,420,744)
<u>Cash flows from capital and related financing activities:</u>			
Purchase of assets	(1,856,635)	-	(1,856,635)
Issuance of debt	9,495,000	-	9,495,000
Principal paid on debt	(6,254,940)	-	(6,254,940)
Interest paid on debt	(1,422,852)	-	(1,422,852)
Net cash provided (used) by capital and related financing activities	(39,427)	-	(39,427)
<u>Cash flows from investing activities:</u>			
Investment income	8,799	-	8,799
Net cash provided (used) by investing activities	8,799	-	8,799
Net increase (decrease) in cash and cash equivalents	5,977,788	-	5,977,788
Cash & cash equivalents, June 30, 2020	5,391,560	37,538	5,429,098
Cash & cash equivalents, June 30, 2021	\$ 11,369,348	\$ 37,538	\$ 11,406,886
Cash, including time deposits	\$ 4,303,100	\$ 37,538	\$ 4,340,638
Restricted cash, including time deposits	7,066,248	-	7,066,248
Total cash and cash equivalents, end of year	\$ 11,369,348	\$ 37,538	\$ 11,406,886
<u>Reconciliation of operating income (loss) to net cash provided (used) by operating activities</u>			
Operating income (loss)	\$ 4,383,374	\$ -	\$ 4,383,374
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	2,443,461	-	2,443,461
Bad debt	65,196	-	65,196
Changes in assets and liabilities:			
(Increase) decrease in receivables	(12,593)	-	(12,593)
Increase (decrease) in accounts payable	452,975	-	452,975
Increase (decrease) in payroll liabilities	(35,120)	-	(35,120)
Increase (decrease) in other liabilities	131,867	-	131,867
Total adjustments	3,045,786	-	3,045,786
Net cash provided (used) by operating activities	\$ 7,429,160	\$ -	\$ 7,429,160

City of Sallisaw, Oklahoma
Statement of Revenues, Expenditures, and Changes in Fund Balances -
General Fund - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2021

	Budget	Revisions	Revised Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES					
Sales tax	\$ 5,855,000	\$ -	\$ 5,855,000	\$ 2,568,264	\$ (3,286,736)
Other taxes	805,000	-	805,000	336,225	(468,775)
Licenses and permits	74,075	-	74,075	70,307	(3,768)
Intergovernmental	521,500	654,950	1,176,450	1,036,351	(140,099)
Fines and forfeitures	225,000	-	225,000	83,165	(141,835)
Charges for services	70,000	-	70,000	218,664	148,664
Rental	5,500	-	5,500	6,955	1,455
Other	333,350	-	333,350	339,267	5,917
Interest	1,500	-	1,500	27,330	25,830
Total revenues	<u>7,890,925</u>	<u>654,950</u>	<u>8,545,875</u>	<u>4,686,528</u>	<u>(3,859,347)</u>
EXPENDITURES					
<u>General government:</u>					
Administration	1,550,290	-	1,550,290	1,283,502	266,788
Customer Service	383,564	-	383,564	388,813	(5,249)
Fleet Maintenance	359,483	-	359,483	330,837	28,646
Information services	174,216	-	174,216	178,025	(3,809)
Finance	626,332	-	626,332	556,682	69,650
General sundry	483,894	-	483,894	97,493	386,401
<u>Public safety:</u>					
Police	2,106,290	195,028	2,301,318	1,894,438	406,880
Police Auxillary	585,651	-	585,651	534,747	50,904
Animal Welfare	167,273	-	167,273	131,144	36,129
Municipal Court	72,938	-	72,938	66,150	6,788
Fire	520,547	18,569	539,116	515,474	23,642
<u>Public works:</u>					
Streets	819,351	-	819,351	884,774	(65,423)
Sanitation	494,542	-	494,542	478,162	16,380
Landfill	1,138,930	-	1,138,930	1,079,201	59,729
Electric	939,935	-	939,935	975,045	(35,110)
Telecommunications	772,250	-	772,250	758,233	14,017
Water production	511,930	-	511,930	441,400	70,530
Water distribution	490,059	-	490,059	458,053	32,006
Wastewater collection	90,826	-	90,826	69,247	21,579
Wastewater treatment	467,083	-	467,083	448,738	18,345
<u>Culture and recreation:</u>					
Airport	171,275	-	171,275	178,901	(7,626)
Parks	749,156	-	749,156	702,999	46,157
Swimming Pool	76,169	-	76,169	46,265	29,904
Cemetery	11,125	-	11,125	5,169	5,956
<u>Economic Development:</u>					
Building development	547,493	-	547,493	402,358	145,135
Total expenditures	<u>14,310,602</u>	<u>213,597</u>	<u>14,524,199</u>	<u>12,905,850</u>	<u>1,618,349</u>
Revenue over (under) expenditures	(6,419,677)	441,353	(5,978,324)	(8,219,322)	2,240,998
OTHER FINANCING SOURCES (USES)					
Operating transfers in/(out)	6,419,677	(441,353)	6,419,677	4,238,030	(2,181,647)
Balance forward	-	-	-	-	-
Net other financing sources (uses)	<u>6,419,677</u>	<u>(441,353)</u>	<u>6,419,677</u>	<u>4,238,030</u>	<u>(2,181,647)</u>
Revenues and other financing sources over (under) expenditures and other uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 441,353</u>	(3,981,292)	<u>\$ 59,351</u>
Fund balance at beginning of year (Non-GAAP budgetary basis)				<u>2,659,814</u>	
Fund balance at end of year (Non-GAAP budgetary basis)				<u>\$ (1,321,478)</u>	
ADJUSTMENTS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES					
Revenue and transfer accruals				<u>3,919,097</u>	
Fund balance at end of year (GAAP basis)				<u>\$ 2,597,619</u>	

City of Sallisaw, Oklahoma
Schedules of Required Supplementary Information

SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS

Oklahoma Municipal Retirement Fund							
SINCE INITIAL APPLICATION							
	2015*	2016*	2017*	2018*	2019*	2020*	2021*
Total pension liability							
Service cost	\$ 366,952	\$ 408,732	\$ 425,998	\$ 412,468	\$ 404,894	\$ 424,540	\$ 481,232
Interest	1,223,894	1,250,385	1,291,059	1,304,887	1,318,346	1,360,786	1,483,772
Changes in benefit terms	-	-	-	-	-	-	-
Differences between expected and actual experience	-	(227,314)	(559,807)	(174,613)	(160,360)	536,514	43,398
Changes in assumptions	-	-	-	210,427	-	301,499	-
Benefit payments, including refunds of employee contributions	(904,499)	(858,806)	(956,975)	(1,001,518)	(1,023,236)	(969,828)	(997,728)
Net change in total pension liability	686,347	572,997	200,275	751,651	539,644	1,653,511	1,010,674
Total pension liability - beginning	15,869,042	16,555,389	17,128,386	17,328,661	18,080,312	18,619,956	20,273,467
Total pension liability - ending (a)	\$ 16,555,389	\$ 17,128,386	\$ 17,328,661	\$ 18,080,312	\$ 18,619,956	\$ 20,273,467	\$ 21,284,141
Plan fiduciary net position							
Contributions - employer	593,615	623,077	640,405	604,182	607,837	581,492	564,725
Contributions - employee	228,564	248,235	251,139	259,627	265,928	290,746	315,488
Net investment income	1,805,094	356,175	116,710	1,610,821	1,070,688	1,060,473	678,401
Benefit payments, including refunds of employee contributions	(904,499)	(858,806)	(956,975)	(1,001,518)	(1,023,236)	(969,828)	(997,728)
Administrative expense	(26,721)	(26,404)	(25,775)	(28,185)	(30,045)	(31,812)	(33,890)
Other	-	-	-	-	-	-	-
Net change in plan fiduciary net position	1,696,053	342,277	25,504	1,444,927	891,172	931,071	526,996
Plan fiduciary net position - beginning	11,043,455	12,739,508	13,081,785	13,107,289	14,552,216	15,443,388	16,374,459
Plan fiduciary net position - ending (b)	\$ 12,739,508	\$ 13,081,785	\$ 13,107,289	\$ 14,552,216	\$ 15,443,388	\$ 16,374,459	\$ 16,901,455
City's net pension liability - ending (a) - (b)	\$ 3,815,881	\$ 4,046,601	\$ 4,221,372	\$ 3,528,096	\$ 3,176,568	\$ 3,899,008	\$ 4,382,686
Plan fiduciary net position as a percentage of the total pension liability	76.95%	76.37%	75.64%	80.49%	82.94%	80.77%	79.41%
Covered-employee payroll	\$ 3,329,223	\$ 3,503,183	\$ 3,564,633	\$ 3,511,459	\$ 3,752,847	\$ 4,092,306	\$ 4,535,072
City's net pension liability as a percentage of covered-employee payroll	114.62%	115.51%	118.42%	100.47%	84.64%	95.28%	96.64%

* The amount presented for each fiscal year were determined as of the fiscal year-end that occurred previous

SCHEDULE OF CITY CONTRIBUTIONS
Oklahoma Municipal Retirement Plan

	2015*	2016*	2017*	2018*	2019*	2020*	2021*
Actuarially determined contribution	\$ 593,615	\$ 623,077	\$ 640,405	\$ 604,182	\$ 607,837	\$ 581,492	\$ 564,725
Contributions in relation to the actuarially determined contribution	(593,615)	(639,165)	(696,228)	(636,690)	(581,452)	(564,725)	(639,288)
Contribution deficiency (excess)	\$ -	\$ (16,088)	\$ (55,823)	\$ (32,508)	\$ 26,385	\$ 16,767	\$ (74,563)
City's covered-employee payroll	\$ 3,329,223	\$ 3,503,183	\$ 3,564,633	\$ 3,511,459	\$ 3,752,847	\$ 4,092,306	\$ 4,535,072
Contributions as a percentage of covered-employee payroll	17.83%	17.79%	17.97%	17.21%	16.20%	14.21%	12.45%

City of Sallisaw, Oklahoma
Schedules of Required Supplementary Information

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY/(ASSET)
Oklahoma Police Pension Retirement Plan
Year Ended June 30, 2021

	2015*	2016*	2017*	2018*	2019*	2020*	2021*
City's portion of the net pension liability (asset)	0.2792%	0.2768%	0.2427%	0.2603%	0.2753%	0.2908%	0.0294%
City's proportionate share of the net pension liability (asset)	\$ (94,003)	\$ 11,288	\$ 371,631	\$ 20,051	\$ (131,143)	\$ (18,566)	\$ 338,118
City's covered-employee payroll	\$ 753,098	\$ 759,023	\$ 753,272	\$ 838,373	\$ 989,550	\$ 1,027,549	\$ 952,729
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-12.48%	1.49%	49.34%	2.39%	-13.25%	-1.81%	35.49%
Plan fiduciary net position as a percentage of the total pension liability or asset	139.12%	100.00%	99.76%	100.00%	100.01%	100.00%	99.99%

* The amount presented for each fiscal year were determined as of the fiscal year-end that occurred previous

SCHEDULE OF CITY CONTRIBUTIONS
Oklahoma Police Pension Retirement Plan

	2015*	2016*	2017*	2018*	2019*	2020*	2021*
Contractually required contribution	\$ 97,903	\$ 98,673	\$ 93,034	\$ 108,988	\$ 128,641	\$ 133,581	\$ 123,855
Contributions in relation to the contractually required contribution	(97,903)	(98,673)	(93,034)	(108,988)	(128,641)	(133,581)	(123,855)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered-employee payroll	\$ 753,098	\$ 759,023	\$ 753,272	\$ 838,373	\$ 989,550	\$ 1,027,549	\$ 952,729
Contributions as a percentage of covered-employee payroll	13.00%	13.00%	12.35%	13.00%	13.00%	13.00%	13.00%

** Only the current fiscal year is presented because 10-year data is not yet available

City of Sallisaw, Oklahoma
Schedules of Required Supplementary Information
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
Oklahoma Fire Pension Retirement Plan
Year Ended June 30, 2021

	2015*	2016*	2017*	2018*	2019*	2020*	2021*
City's portion of the net pension liability (asset)	0.0874%	0.089412%	0.089085%	0.087642%	0.079737%	0.085029%	0.086153%
City's proportionate share of the net pension liability (asset)	\$ 899,045	\$ 949,024	\$ 1,088,360	\$ 1,102,295	\$ 897,555	\$ 898,472	\$ 1,061,336
City's covered-employee payroll	\$ 231,105	\$ 246,186	\$ 239,007	\$ 228,035	\$ 264,111	\$ 288,247	\$ 296,390
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	389%	385%	455%	483%	340%	312%	358%
Plan fiduciary net position as a percentage of the total pension liability or asset	99.30%	100.00%	99.91%	99.97%	99.98%	99.98%	99.97%

* The amount presented for each fiscal year were determined as of the fiscal year-end that occurred previous

SCHEDULE OF CITY CONTRIBUTIONS
Oklahoma Fire Pension Retirement Plan

	2015*	2016*	2017*	2018*	2019*	2020*	2021*
Contractually required contribution	\$ 32,354	\$ 34,466	\$ 34,886	\$ 31,925	\$ 36,976	\$ 40,355	\$ 39,661
Contributions in relation to the contractually required contribution	(32,354)	(34,466)	(34,886)	(31,925)	(36,976)	(40,355)	(39,661)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered-employee payroll	\$ 231,105	\$ 246,186	\$ 239,007	\$ 228,035	\$ 264,111	\$ 288,247	\$ 296,390
Contributions as a percentage of covered-employee payroll	14.00%	14.00%	14.60%	14.00%	14.00%	14.00%	13.38%

** Only the current fiscal year is presented because 10-year data is not yet available

City of Sallisaw, Oklahoma

Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2021

	<u>Street and Alley Fund</u>	<u>Library Trust Authority</u>	<u>Youth & Recreation Fund</u>	<u>Fire Department Fund</u>
Assets				
Cash and cash equivalents	\$ 100,910	\$ -	\$ 222,523	\$ 172,919
Investments	-	89,976	-	-
Receivables:				
Taxes	7,035	-	-	3,902
Grants	-	-	500	-
Accrued interest	-	7	-	-
Due from other funds	-	45	13,181	-
Total assets	<u>\$ 107,945</u>	<u>\$ 90,028</u>	<u>\$ 236,204</u>	<u>\$ 176,821</u>
Liabilities				
Accounts payable	6,297	-	14,950	-
Current portion of capital leases	-	-	-	-
Due to other funds	-	-	-	-
Total liabilities	<u>6,297</u>	<u>-</u>	<u>14,950</u>	<u>-</u>
Fund balance:				
Nonspendable	-	-	-	-
Restricted	101,648	90,028	-	-
Committed	-	-	221,254	-
Assigned	-	-	-	176,821
Unassigned	-	-	-	-
Total fund balance	<u>101,648</u>	<u>90,028</u>	<u>221,254</u>	<u>176,821</u>
Total liabilities and fund balance	<u>\$ 107,945</u>	<u>\$ 90,028</u>	<u>\$ 236,204</u>	<u>\$ 176,821</u>

See accompanying notes to the financial statements.

City of Sallisaw, Oklahoma

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2021

	Police Department Fund	Sallisaw NOW PFS Grant	Police Drug Fund	Sallisaw NOW	Department of Justice Grants	Sallisaw NOW DFC Grant
Assets						
Cash and cash equivalents	\$ 42,356	\$ 23,340	\$ 95,393	\$ 22,665	\$ -	\$ 25,849
Investments	-	-	-	-	-	-
Receivables:						
Taxes	-	-	-	-	-	-
Grants	-	-	-	6,835	4,950	8,471
Accrued interest	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Total assets	<u>\$ 42,356</u>	<u>\$ 23,340</u>	<u>\$ 95,393</u>	<u>\$ 29,500</u>	<u>\$ 4,950</u>	<u>\$ 34,320</u>
Liabilities						
Accounts payable	-	-	-	6,298	4,950	6,527
Current portion of capital leases	-	-	-	-	-	-
Due to other funds	5,766	-	-	-	-	-
Total liabilities	<u>5,766</u>	<u>-</u>	<u>-</u>	<u>6,298</u>	<u>4,950</u>	<u>6,527</u>
Fund balance:						
Nonspendable	-	-	-	-	-	-
Restricted	-	23,340	-	23,202	-	27,793
Committed	-	-	95,393	-	-	-
Assigned	36,590	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balance	<u>36,590</u>	<u>23,340</u>	<u>95,393</u>	<u>23,202</u>	<u>-</u>	<u>27,793</u>
Total liabilities and fund balance	<u>\$ 42,356</u>	<u>\$ 23,340</u>	<u>\$ 95,393</u>	<u>\$ 29,500</u>	<u>\$ 4,950</u>	<u>\$ 34,320</u>

See accompanying notes to the financial statements.

City of Sallisaw, Oklahoma

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2021

	Capital Improvements Fund	Cemetery Fund	Infrastructure Improvements Fund	FAA Grant	CDBG Fund	Police Technology Fund
Assets						
Cash and cash equivalents	\$ 1,775,212	\$ 185,344	\$ 871,999	\$ (149,571)	\$ (119,821)	\$ 16,738
Investments	-	207,839	-	-	-	-
Receivables:						
Taxes	-	-	-	-	-	-
Grants	-	-	-	-	-	-
Accrued interest	-	17	-	-	-	-
Due from other funds	71,858	-	-	-	-	-
Total assets	<u>\$ 1,847,070</u>	<u>\$ 393,200</u>	<u>\$ 871,999</u>	<u>\$ (149,571)</u>	<u>\$ (119,821)</u>	<u>\$ 16,738</u>
Liabilities						
Accounts payable	10,628	-	2,920	171,774	-	-
Current portion of capital leases	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Total liabilities	<u>10,628</u>	<u>-</u>	<u>2,920</u>	<u>171,774</u>	<u>-</u>	<u>-</u>
Fund balance:						
Nonspendable	-	-	-	-	-	-
Restricted	1,836,442	393,200	-	(321,345)	(119,821)	16,738
Committed	-	-	869,079	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balance	<u>1,836,442</u>	<u>393,200</u>	<u>869,079</u>	<u>(321,345)</u>	<u>(119,821)</u>	<u>16,738</u>
Total liabilities and fund balance	<u>\$ 1,847,070</u>	<u>\$ 393,200</u>	<u>\$ 871,999</u>	<u>\$ (149,571)</u>	<u>\$ (119,821)</u>	<u>\$ 16,738</u>

See accompanying notes to the financial statements.

City of Sallisaw, Oklahoma

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2021

	<u>COPS Grant</u>	<u>USDA Grant</u>	<u>PFS Grant</u>	<u>Recreation Grant</u>	<u>CARA Grant</u>	<u>Recreational Grant</u>
Assets						
Cash and cash equivalents	\$ -	\$ -	\$ (7,642)	\$ (121,941)	\$ (28,200)	\$ (9,415)
Investments	-	-	-	-	-	-
Receivables:						
Taxes	-	-	-	-	-	-
Grants	-	-	17,539	-	64,012	-
Accrued interest	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,897</u>	<u>\$ (121,941)</u>	<u>\$ 35,812</u>	<u>\$ (9,415)</u>
Liabilities						
Accounts payable	-	-	9,897	-	51,112	-
Current portion of capital leases	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>9,897</u>	<u>-</u>	<u>51,112</u>	<u>-</u>
Fund balance:						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	(121,941)	(15,300)	(9,415)
Committed	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>(121,941)</u>	<u>(15,300)</u>	<u>(9,415)</u>
Total liabilities and fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,897</u>	<u>\$ (121,941)</u>	<u>\$ 35,812</u>	<u>\$ (9,415)</u>

See accompanying notes to the financial statements.

City of Sallisaw, Oklahoma

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2021

	Total Governmental Funds
Assets	
Cash and cash equivalents	\$ 3,118,658
Investments	297,815
Receivables:	
Taxes	10,937
Grants	102,307
Accrued interest	24
Due from other funds	85,084
Total assets	<u>\$ 3,614,825</u>
Liabilities	
Accounts payable	285,353
Current portion of capital leases	-
Due to other funds	5,766
Total liabilities	<u>291,119</u>
Fund balance:	
Nonspendable	-
Restricted	1,924,569
Committed	1,185,726
Assigned	213,411
Unassigned	-
Total fund balance	<u>3,323,706</u>
Total liabilities and fund balance	<u>\$ 3,614,825</u>

See accompanying notes to the financial statements.

City of Sallisaw, Oklahoma
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
Year ended June 30, 2021

	<u>Street and Alley Fund</u>	<u>Library Trust Authority</u>	<u>Youth & Recreation Fund</u>	<u>Fire Department Fund</u>	<u>Police Department Fund</u>	<u>Sallisaw NOW PFS Grant</u>
Revenues						
Intergovernmental	\$ 76,864	\$ -	\$ 500	\$ 59,602	\$ 8,000	\$ 5,246
Sales Tax	-	-	-	-	-	-
Hotel tax	-	-	131,074	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Donations	-	-	7,500	-	-	-
Proceeds from debt issuance	-	-	-	-	-	-
Miscellaneous income	-	-	-	3,500	-	-
Interest	-	375	-	-	-	-
Total Revenues	<u><u>\$ 76,864</u></u>	<u><u>\$ 375</u></u>	<u><u>\$ 139,074</u></u>	<u><u>\$ 63,102</u></u>	<u><u>\$ 8,000</u></u>	<u><u>\$ 5,246</u></u>
Expenditures						
Public safety	-	-	-	759	-	5,704
Public works	6,297	-	-	-	-	-
Culture and recreation	-	-	49,251	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay	32,896	-	49,752	-	-	-
Total expenditures	<u><u>39,193</u></u>	<u><u>-</u></u>	<u><u>99,003</u></u>	<u><u>759</u></u>	<u><u>-</u></u>	<u><u>5,704</u></u>
Excess of revenues over (under) expenditures	37,671	375	40,071	62,343	8,000	(458)
Other financing sources (uses)						
Transfers in	-	-	-	-	-	-
Transfers (out)	-	-	-	-	-	-
Total other financing sources (uses)	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
Net change in fund balances	37,671	375	40,071	62,343	8,000	(458)
Fund balances, beginning	63,977	89,653	181,183	114,478	28,590	23,798
Fund balances, ending	<u><u>\$ 101,648</u></u>	<u><u>\$ 90,028</u></u>	<u><u>\$ 221,254</u></u>	<u><u>\$ 176,821</u></u>	<u><u>\$ 36,590</u></u>	<u><u>\$ 23,340</u></u>

See accompanying notes to the financial statements.

City of Sallisaw, Oklahoma
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
Year ended June 30, 2021

	Police Drug Fund	Sallisaw NOW	Department of Justice Grants	Sallisaw NOW DFC Grant	Capital Improvements Fund	Cemetery Fund
Revenues						
Intergovernmental	\$ 3,415	\$ 14,035	\$ 62,517	\$ 75,937	\$ -	\$ -
Sales Tax	-	-	-	-	856,088	-
Hotel tax	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Charges for services	-	-	-	-	-	30,200
Donations	-	-	-	-	-	40
Proceeds from debt issuance	-	-	-	-	387,397	-
Miscellaneous income	-	-	-	-	49,850	-
Interest	2	-	-	-	1,523	931
Total Revenues	<u>\$ 3,417</u>	<u>\$ 14,035</u>	<u>\$ 62,517</u>	<u>\$ 75,937</u>	<u>\$ 1,294,858</u>	<u>\$ 31,171</u>
Expenditures						
Public safety	7,598	26,149	24,767	99,750	3,351	-
Public works	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	912,783	-
Interest	-	-	-	-	36,622	-
Capital outlay	-	-	44,838	-	-	7,800
Total expenditures	<u>7,598</u>	<u>26,149</u>	<u>69,605</u>	<u>99,750</u>	<u>952,756</u>	<u>7,800</u>
Excess of revenues over (under) expenditures	(4,181)	(12,114)	(7,088)	(23,813)	342,102	23,371
Other financing sources (uses)						
Transfers in	-	-	7,088	-	1,241,353	-
Transfers (out)	-	-	-	-	(1,081,019)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>7,088</u>	<u>-</u>	<u>160,334</u>	<u>-</u>
Net change in fund balances	(4,181)	(12,114)	-	(23,813)	502,436	23,371
Fund balances, beginning	99,574	35,316	-	51,606	1,334,006	369,829
Fund balances, ending	<u>\$ 95,393</u>	<u>\$ 23,202</u>	<u>\$ -</u>	<u>\$ 27,793</u>	<u>\$ 1,836,442</u>	<u>\$ 393,200</u>

See accompanying notes to the financial statements.

City of Sallisaw, Oklahoma
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
Year ended June 30, 2021

	Infrastructure Improvements Fund	FAA Grant	CDBG Fund	Police Technology Fund	COPS Grant	USDA Grant	PFS Grant
Revenues							
Intergovernmental	\$ -	\$ 280,005	\$ 241,712	\$ -	\$ 20,661	\$ 117,154	\$ 216,819
Sales Tax	-	-	-	-	-	-	-
Hotel tax	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	9,503	-	-	-
Charges for services	-	-	-	-	-	-	-
Donations	-	-	-	-	-	-	-
Proceeds from debt issuance	-	-	-	-	-	-	-
Miscellaneous income	-	-	-	-	-	-	-
Interest	728	-	-	-	-	-	-
Total Revenues	<u>\$ 728</u>	<u>\$ 280,005</u>	<u>\$ 241,712</u>	<u>\$ 9,503</u>	<u>\$ 20,661</u>	<u>\$ 117,154</u>	<u>\$ 216,819</u>
Expenditures							
Public safety	-	-	-	10,069	20,661	-	239,289
Public works	-	4,500	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay	24,429	594,662	484,638	-	-	24,888	-
Total expenditures	<u>24,429</u>	<u>599,162</u>	<u>484,638</u>	<u>10,069</u>	<u>20,661</u>	<u>24,888</u>	<u>239,289</u>
Excess of revenues over (under) expenditures	(23,701)	(319,157)	(242,926)	(566)	-	92,266	(22,470)
Other financing sources (uses)							
Transfers in	200,000	-	-	-	-	95,853	-
Transfers (out)	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>95,853</u>	<u>-</u>
Net change in fund balances	176,299	(319,157)	(242,926)	(566)	-	188,119	(22,470)
Fund balances, beginning	692,780	(2,188)	123,105	17,304	-	(188,119)	22,470
Fund balances, ending	<u>\$ 869,079</u>	<u>\$ (321,345)</u>	<u>\$ (119,821)</u>	<u>\$ 16,738</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to the financial statements.

City of Sallisaw, Oklahoma
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
Year ended June 30, 2021

	<u>Recreation Grant</u>	<u>CARA Grant</u>	<u>Recreational Grant</u>	<u>Total Governmental Funds</u>
Revenues				
Intergovernmental	\$ -	\$ 412,340	\$ -	\$ 1,594,807
Sales Tax	-	-	-	856,088
Hotel tax	-	-	-	131,074
Fines and forfeitures	-	-	-	9,503
Charges for services	-	-	-	30,200
Donations	-	-	-	7,540
Proceeds from debt issuance	-	-	-	387,397
Miscellaneous income	-	-	-	53,350
Interest	-	-	-	3,559
Total Revenues	<u>\$ -</u>	<u>\$ 412,340</u>	<u>\$ -</u>	<u>\$ 3,073,518</u>
Expenditures				
Public safety	-	471,865	-	909,962
Public works	-	-	-	10,797
Culture and recreation	-	-	-	49,251
Debt service:				
Principal	-	-	-	912,783
Interest	-	-	-	36,622
Capital outlay	-	-	9,415	1,273,318
Total expenditures	<u>-</u>	<u>471,865</u>	<u>9,415</u>	<u>3,192,733</u>
Excess of revenues over (under) expenditures	-	(59,525)	(9,415)	(119,215)
Other financing sources (uses)				
Transfers in	-	-	-	1,544,294
Transfers (out)	-	-	-	(1,081,019)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>463,275</u>
Net change in fund balances	-	(59,525)	(9,415)	344,060
Fund balances, beginning	(121,941)	44,225	-	2,979,646
Fund balances, ending	<u>\$ (121,941)</u>	<u>\$ (15,300)</u>	<u>\$ (9,415)</u>	<u>\$ 3,323,706</u>

See accompanying notes to the financial statements.